(c) if so, what are the recommendations or plans of Government to diversify and expand the trade with China;

(d) to what extent does Government feel that Indian industry should set up production bases in China to increase business; and

(e) the details of targets set to expand trade with China by 2010 to reach US dollars 20 billion a year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) In follow up of the announcement during the visit of former Prime Minister to China in June, 2003, to establish a Joint Study Group (JSG) between India and China, a JSG was set up to examine the potential complementarities between the two countries in expanding trade and economic cooperation. The Joint Study Group was mandated to draw up a programme for the development of India-China trade and economic cooperation for the next five years.

The report of the JSG was presented to the Prime Ministers of India and China during the visit of Premier Wen Jiabao to India in second week of April, 2005. The JSG report recommends a number of measures to expand trade and economic cooperation between India and China. The report specifically mentions that to triple the trade between the two countries on a consistent and sustained basis, it is essential for India and China to diversify their export baskets.

(d) The Government encourages and supports measures that increase business-to-business linkages between India and China. The setting up of production bases in China is a decision to be taken by Indian industry on the basis of its commercial feasibility.

(e) In the Joint Statement issued during Premier Wen Jiabao's visit to India during second week of April, 2005, India and China agreed to make joint efforts to increase the bilateral trade volume to US$ 20 billion or higher by 2008.

Indo-Myanmar Trade

1757. SHRI VIJAY J. DARDA:
SHRIMATI MOHSINA KIDWAI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) with improved relations with the Government of Myanmar, whether Government of India is thinking of enlarging bilateral trade relations due to community of interest between Myanmar and our North-Eastern States economy;

(B) if so, how Government proposes to do the same as such trade ties will give fillip to the economy of North-Eastern States; and

(c) what is the present status of bilateral trade, in monetary terms of traditional items?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) India and Myanmar have a Joint Trade Committee, the first meeting of which was held two years ago. In order to increase the trade of items locally produced in North-Eastern States, an Agreement on Border Trade was signed in 1994, which became operational in 1995.

(c) While the total value of trade with Myanmar was about 5.07 million dollars, the total value of the trade under the Agreement on Border Trade, was Rs.10.76 Crores (i.e. about 2.45 million dollars).

Effect of import of used tyres

1758. SHRI B.K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether imported used tyres pose not only risks to safety but also constitute an environmental hazard;

(b) whether Government would consider ban on import of used tyres alongwith a correction of the import duty structure to prevent dumping of tyres; and

(c) whether forty countries, with improved road/highway infrastructure have banned import of used tyres and if so, whether Government would consider the same?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Quantitative Restrictions are maintained in terms of para 2.6 of Foreign Trade Policy (FTP) for protection of environment, protection of human, animal or plant